

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF MT. OLIVET)	CASE NO. 9918-L
NATURAL GAS COMPANY, INC.)	

O R D E R

On August 10, 1987, the Commission issued its Order in Case No. 9918 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On May 4, 1988, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet"), notified the Commission that it will receive a decrease in rates from its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective June 1, 1988, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Mt. Olivet's notice of May 4, 1988, set out certain revisions in rates which Mt. Olivet proposed to place into effect, said rates being designed to pass on the wholesale decrease in gas cost from its supplier in the amount of \$3,788 or 9.64 cents per Mcf. In setting out its revised rates, Mt. Olivet incorrectly added the decrease of 9.64 cents instead of subtracting it.

(2) Transmission filed revised rates with the FERC to be effective June 1, 1988. These rates are subject to refund.

(3) Mt. Olivet's corrected adjustments in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9918 dated August 10, 1987, are fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after June 1, 1988. Mt. Olivet's rates should be subject to refund because Transmission's rates are subject to refund.

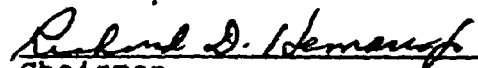
IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after June 1, 1988, subject to refund.

(2) Within 30 days of the date of this Order Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 13th day of May, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 9918-L DATED 5/13/88

The following rates are prescribed for the customers served by Mt. Olivet Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Rates: Monthly

First	1,000 cu. ft. or less	\$6.31	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	4.5657	
Next	5,000 cu. ft. per 1,000 cu. ft.	4.3657	
Next	10,000 cu. ft. per 1,000 cu. ft.	4.2157	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.0157	

The base rate for the future application of the purchased gas adjustment clause of Mt. Olivet Natural Gas Company, Inc., shall be:

Demand Commodity

Columbia Gas Transmission Corporation - \$3.1817 per Dth